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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/692,219

10/22/2003

Jeffrey Lange

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7590

08/25/2009

SCHULTE ROTH & ZABEL LLP

ATTN: JOEL E. LUTZKER

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EXAMINER

NIQUETTE, ROBERT R

ART UNIT

PAPER NUMBER

3695

MAIL DATE

DELIVERY MODE

08/25/2009

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

### Office Action Summary

**Application No.**

10/692,219

**Applicant(s)**

LANGE ET AL.

**Examiner**

Robert R. Niquette

**Art Unit**

3695

**Period for Reply** -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 1 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 23 October 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-152 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☐ Claim(s) \_\_\_\_\_ is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☒ Claim(s) 1-152 are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-946)
- 3) ☐ Information Disclosure Statement(s) (PTO/SG/US)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

***Election/Restrictions***

Restriction to one of the following inventions is required under 35 U.S.C. 121:

I. Claims 1-6 are drawn to ***donating an insurance policy to a nonprofit entity, the nonprofit entity assigning a beneficial interest to a financial benefactor in exchange for a consideration from the financial benefactor***, and the nonprofit entity providing the financial benefactor with an opportunity to finance the insurance policy.

II. Claim 7, drawn to ***providing financing to a financial benefactor of the nonprofit entity***, a total financing of the financial benefactor including the provided financing, at least part of the total financing being applied to maintaining an insurance policy in force for the nonprofit entity, the nonprofit entity holding an insurance policy insuring a donor, the nonprofit entity assigning a beneficial interest under the insurance policy to the financial benefactor in exchange for a first right to a distribution from assets of the financial benefactor, the assets including a value of the insurance policy to the financial benefactor; and receiving a respective right to the distribution.

III. Claims 8-89 are drawn to ***receiving an assignment from the nonprofit entity of a death benefit of a life insurance policy held by the nonprofit entity, the life insurance policy insuring a life of a donor***; receiving an opportunity to maintain the life insurance policy; receiving financing, a total financing including the received

financing, at least some of the total financing being allocated to maintain the life insurance policy; and providing the nonprofit entity with a right to a first portion of a distribution from assets, the assets including a value of the death benefit of the life insurance policy.

IV. Claims 90-104, drawn to ***assigning a death benefit of a life insurance policy to a financial benefactor, the life insurance policy insuring a life of a donor***, assigning an opportunity to maintain the life insurance policy to the financial benefactor, the financial benefactor receiving financing, a total financing of the financial benefactor including the received financing, the financial benefactor allocating at least some of the total financing to maintain the life insurance policy; receiving a right to a first portion of the distribution by the financial benefactor from assets of the financial benefactor including a value of the death benefit of the life insurance policy.

V. Claims 105-115, drawn to ***donating the life insurance policy to the nonprofit entity, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor in exchange for a right to a first portion of a distribution from assets of the financial benefactor***, the assets including a cash value of the life insurance policy, the financial benefactor receiving an opportunity to maintain the life insurance policy, the financial benefactor receiving financing, a total financing of the financial benefactor including the received financing, a portion of the total financing being allocated to maintain the life insurance policy for the nonprofit entity.

VI. Claims 116-125, drawn to ***providing financing to a financial benefactor of the nonprofit entity, at least part of the provided financing being applied to at least one of maintaining an insurance policy in force, and purchasing an annuity;*** and receiving a right to a respective portion of a distribution from assets of the financial benefactor including a cash value of the life insurance policy and the annuity, wherein the life insurance policy, insuring a life of a donor, is held by the nonprofit entity, the nonprofit entity assigning a death benefit on the life insurance policy to the financial benefactor in exchange for a right to a respective portion of the distribution, and wherein the financial benefactor purchases the annuity on the life of the donor to provide annuity payments to the financial benefactor for the life of the donor, and wherein the financial benefactor has an opportunity to maintain the life insurance policy.

VII. Claims 126-132, drawn to ***issuing a life insurance policy on a life of a consenting donor to a nonprofit entity, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor in exchange for an interest in a portion of a distribution from assets of the financial benefactor,*** the assets including a cash value of a life insurance policy and an annuity purchased by the financial benefactor to provide annuity payments to the financial benefactor for the life of the donor; and receiving premium payments on the life insurance policy from the financial benefactor.

VIII. Claim 133, drawn to ***issuing a life insurance policy to a donor on a life of the donor, the donor donating the life insurance policy to a nonprofit entity, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor in exchange for an interest in a portion of a distribution from assets of the financial benefactor***, the assets including a cash value of a life insurance policy and an annuity purchased by the financial benefactor to provide annuity payments to the financial benefactor for the life of the donor; and receiving premium payments on the life insurance policy from the financial benefactor.

IX. Claim 134, drawn to ***selling an annuity to a financial benefactor of a nonprofit entity, the nonprofit entity holding a life insurance policy on a life of a donor, and assigning a death benefit to the financial benefactor***, the financial benefactor maintaining the life insurance policy and purchasing the annuity to provide the financial benefactor with annuity payments for the life of the donor, the financial benefactor distributing a first portion of the annuity payments to the nonprofit entity and other portions of the annuity payments as payments on financing provided to the nonprofit entity for the maintenance of the life insurance policy and the purchase of the annuity.

X. Claims 135-137, drawn to ***lending an amount to another entity, the lent amount being invested by the other entity in a financial benefactor of a nonprofit entity, the financial benefactor using the invested lent amount to maintain a life***

***insurance policy held by the nonprofit entity on a life of a donor***, the nonprofit entity assigning a death benefit of the life insurance policy to the financial benefactor in exchange for a right to a first portion of annuity payments from the financial benefactor, the financial benefactor purchasing an annuity to provide the annuity payments for the life of the donor with other invested funds and providing a second portion of the annuity payments as payments on the other invested funds; and receiving payments from the other entity, the other entity funding the payments with a third portion of the annuity payments provided by the financial benefactor to the other entity.

XI. Claims 138-139, drawn to ***an instrument for providing consent of a donor to a life insurance carrier to issue a life insurance policy on a life of the donor to a nonprofit entity***, the nonprofit entity assigning a death benefit on the life insurance policy to a financial benefactor in exchange for a portion of a distribution from assets of the financial benefactor, the assets of the financial benefactor including a cash value of the life insurance policy and an annuity purchased by the financial benefactor providing annuity payments to the financial benefactor for the life of the donor.

XII. Claim 140, drawn to ***a life insurance policy on a life of a donor, wherein the nonprofit entity is the owner of the life insurance policy, the nonprofit entity assigning a death benefit of the life insurance policy to a financial benefactor of the nonprofit entity***, the financial benefactor maintaining the life insurance policy and purchasing an annuity on the life of the donor to provide the financial benefactor with

annuity payments for the life of the donor, the financial benefactor providing a first portion of the annuity payments to the nonprofit entity.

XIII. Claim 141, drawn to a ***tradable instrument providing investment capital to the financial benefactor***, the financial benefactor maintaining a life insurance policy held by the nonprofit entity on a life of a donor with a portion of a total financing of the financial benefactor, the total financing including the investment capital, wherein the nonprofit entity assigns a death benefit of the life insurance policy to the financial benefactor in exchange for a right to a first portion of annuity payments from the financial benefactor, the financial benefactor purchasing an annuity with another portion of the total financing to provide the annuity payments to the financial benefactor for the life of the donor.

XIV. Claim 142, drawn to an ***annuity providing annuity payments to a financial benefactor of the nonprofit entity for a life of a donor***, the financial benefactor allocating a portion of the annuity payments to the nonprofit entity in exchange for a death benefit of the life insurance policy, the financial benefactor maintaining the life insurance policy for the nonprofit entity.

XV. Claims 143-146, drawn to an ***insured annuity, wherein the insured annuity includes: a life insurance policy insuring at least one insured benefactor, and an annuity providing annuity payments for a period of time***, the period of time being a



measured life of at least one of the at least one insured benefactor, wherein the life insurance policy is owned by the nonprofit entity, the nonprofit entity assigning at least a portion of a death benefit of the policy to a nonprofit development partner, the nonprofit development partner maintaining the life insurance policy with financing arising from debt financing provided by a bank to one of a preferred investor in the nonprofit development partner, the nonprofit development partner and the nonprofit entity, wherein the annuity is purchased by one of the nonprofit development partner and an equity investor with financing arising from equity financing provided by the equity investor, and wherein the insured annuity provides the nonprofit entity with consideration in exchange for the assignment of the portion of the death benefit of the policy to the nonprofit development partner.

XVI. Claim 147, drawn to ***a loan to an investor, the investor investing a principle of the loan in a financial benefactor of the nonprofit entity, the financial benefactor using the loan to maintain a life insurance policy held by the nonprofit entity on a life of a donor***, wherein the financial benefactor purchases an annuity to provide annuity payments for the life of the donor with other invested funds, wherein the nonprofit entity assigns a death benefit of the life insurance policy to the financial benefactor in exchange for a first portion of annuity payments from the financial benefactor, and wherein the financial benefactor allocates a second portion of the annuity payments for payments on the loan, and a third portion of the annuity payments as payments on the other invested funds used to purchase the annuity.

XVII. Claim 148, drawn to ***forming an entity to be the financial benefactor of the nonprofit entity, wherein the entity: accepts an assignment of a death benefit of the life insurance policy from the nonprofit entity, accepts invested capital from at least one primary investor for maintaining the life insurance policy, accepts invested capital from at least one secondary investor for purchasing an annuity to provide the entity with annuity payments for the life of the donor, grants an ownership interest to each of the nonprofit entity***, the at least one primary investor and the at least one secondary investor, each ownership interest entitling a respective holder of the interest to a portion of a distribution from assets of the entity, the assets of the entity including a cash value of the life insurance policy and the annuity payments.

XVIII. Claim 149, drawn to ***a donor; a nonprofit entity holding a life insurance policy on a life of a donor; and a financial benefactor to the nonprofit entity***, the financial benefactor having an annuity providing annuity payments on the life of the donor, the financial benefactor maintaining the life insurance policy and having a right to a death benefit of the life insurance policy, the financial benefactor providing the nonprofit entity with a first portion of the annuity payments.

XIX. Claim 150, drawn to ***a bond, the bond entitling a bearer of the bond with a right to a coupon payment and a repayment of a principal amount of the bond from a financial benefactor of the nonprofit entity***, wherein the nonprofit entity holds

a life insurance policy on a life of a donor, the nonprofit entity assigning a death benefit of the life insurance policy to the financial benefactor, wherein the financial benefactor maintains the life insurance policy and purchases an annuity providing the financial benefactor with annuity payments for the life of the donor, the financial benefactor providing periodic payments to the nonprofit entity backed by a first portion of distributions from assets including a cash value of the life insurance policy and the annuity, and wherein the coupon payments are backed by a second portion of the distributions by the financial benefactor, and the repayment of the principal amount of the bond is backed by a portion of the death benefit provided to the financial benefactor.

XX. Claim 151, drawn to ***receiving an assignment from a nonprofit entity of a death benefit of a life insurance policy held by the nonprofit entity, the life insurance policy insuring a life of a donor***; receiving an opportunity to maintain the life insurance policy; receiving financing arising from debt financing, at least some of the received financing being allocated for maintaining the life insurance policy; receiving a loan guaranty from an equity investor for the debt financing, the loan guaranty being a collateral assignment in charitable gift annuity payments received by the equity investor from the nonprofit entity, the equity investor purchasing a charitable gift annuity from the nonprofit entity, the nonprofit entity financing the charitable gift annuity payments on the charitable gift annuity with a portion of a commercial annuity purchased by the nonprofit entity from an annuity carrier, the nonprofit entity retaining a difference between the commercial annuity payments and the charitable gift annuity payments; providing

consideration to the equity investor for the loan guaranty; and providing the nonprofit entity with a right to a first portion of a distribution from assets, the assets including a value of the death benefit of the life insurance policy.

XXI. Claim 152, drawn ***to purchasing a charitable gift annuity from a nonprofit entity to receive charitable gift annuity payments from the nonprofit entity on a measured life of at least one insured benefactor to the nonprofit entity***; offering a loan guaranty on debt financing provided to at least one of a nonprofit development partner of the nonprofit entity, a preferred equity investor in the nonprofit development partner, and a bank providing the debt financing to at least one of the preferred equity investor, the nonprofit development partner and the nonprofit entity; and receiving consideration for the loan guaranty from at least one of the nonprofit entity, the nonprofit development partner, the preferred equity investor and the bank, wherein the nonprofit entity funds the charitable gift annuity payments with a portion of commercial annuity payments from a commercial annuity purchased by the nonprofit entity from an annuity carrier, wherein the nonprofit entity owns a life insurance policy insuring a life of the at least one insured benefactor, the nonprofit entity assigning a death benefit under the life insurance policy to the nonprofit development partner, and wherein the debt financing is used to generate funding used by the nonprofit development partner to maintain the life insurance policy, and wherein the loan guaranty includes a collateral assignment to one of the nonprofit entity, the nonprofit development partner, the preferred equity investor and the bank in the charitable gift annuity payments.

The inventions are distinct, each from the other because of the following reasons:

The inventions are related as subcombinations disclosed as usable together in a single combination. The subcombinations are distinct if they do not overlap in scope and are not obvious variants, and if it is shown that at least one subcombination is separately usable. In the instant case, each subcombination (Group) has separate utility, distinct from the other Groups, as delineated by the italicized text above. See MPEP § 806.05(d).

The examiner has required restriction between subcombinations usable together. Where applicant elects a subcombination and claims thereto are subsequently found allowable, any claim(s) depending from or otherwise requiring all the limitations of the allowable subcombination will be examined for patentability in accordance with 37 CFR 1.104. See MPEP § 821.04(a). Applicant is advised that if any claim presented in a continuation or divisional application is anticipated by, or includes all the limitations of, a claim that is allowable in the present application, such claim may be subject to provisional statutory and/or nonstatutory double patenting rejections over the claims of the instant application.

1. Restriction for examination purposes as indicated is proper because all these inventions listed in this action are independent or distinct for the reasons given above and there would be a serious search and examination burden if restriction were not required because one or more of the following reasons apply:

2.

(a) the inventions have acquired a separate status in the art in view of their different classification;

(b) the inventions have acquired a separate status in the art due to their recognized divergent subject matter;

(c) the inventions require a different field of search (for example, searching different classes/subclasses or electronic resources, or employing different search queries);

(d) the prior art applicable to one invention would not likely be applicable to another invention;

(e) the inventions are likely to raise different non-prior art issues under 35 U.S.C. 101 and/or 35 U.S.C. 112, first paragraph.

**Applicant is advised that the reply to this requirement to be complete must include (i) an election of a invention to be examined even though the requirement may be traversed (37 CFR 1.143) and (ii) identification of the claims encompassing the elected invention.**

The election of an invention may be made with or without traverse. To reserve a right to petition, the election must be made with traverse. If the reply does not distinctly and specifically point out supposed errors in the restriction requirement, the election shall be treated as an election without traverse. Traversal must be presented at the time of election in order to be considered timely. Failure to timely traverse the requirement will result in the loss of right to petition under 37 CFR 1.144. If claims are added after

the election, applicant must indicate which of these claims are readable on the elected invention.

If claims are added after the election, applicant must indicate which of these claims are readable upon the elected invention.

Should applicant traverse on the ground that the inventions are not patentably distinct, applicant should submit evidence or identify such evidence now of record showing the inventions to be obvious variants or clearly admit on the record that this is the case. In either instance, if the examiner finds one of the inventions unpatentable over the prior art, the evidence or admission may be used in a rejection under 35 U.S.C. 103(a) of the other invention.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Robert R. Niquette whose telephone number is 571-270-3613. The examiner can normally be reached on Monday through Thursday, 5:30 AM to 4:00 PM EDT.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Charles Kyle can be reached on 571-272-6746. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, <http://portal.uspto.gov/external/portal/pair>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Robert R. Niquette/  
Examiner, AU 3695  
8-20-2009

/Charles R. Kyle/  
Supervisory Patent Examiner, Art Unit 3695